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USDOC FOR 532/OEA/MHAMES/MCANNER
USDOC FOR 3132 FOR FCS/OIO REGIONAL DIRECTOR PATRICK SANTILLO
BICE FOR OFFICE OF STRATEGIC INVESTIGATIONS

SIPDIS

E.O. 12958: N/A
TAGS: [BMGT](#) [BEXP](#) [HK](#) [ETRD](#) [ETTC](#)
SUBJECT: EXTRANCHECK: POST SHIPMEN VERIFICATION: IMAX TECHNICS
LIMITED (HK)

REF: A) BIS e-mail request dated May 15, 2009

11. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

12. As per reftel A request and at the direction of the Office of Enforcement Analysis (OEA) of the USDOC Bureau of Industry and Security (BIS), Export Control Officer Philip Ankel (ECO) conducted a post shipment verification (PSV) at Imax Technics Limited, Room 902, Koon Fork Center, No. 9 Knutsford Terrace Street, Hong Kong (Imax). The items in question for this PSV are various integrated circuits exported to Imax on or about April 5, 2008. On the applicable shippers export declaration (SED) the items are classified under export control classification number (ECCN) 3A001 and, if properly classified, would be controlled for national security (NS) reasons. Based on documentation provided by the exporter, it appears that these items are of the class that may be exported license free to Hong Kong, but would require a license for export or reexport to mainland China because of their ability to function at extreme temperatures (ECCN 3A001a2c). The exporter was Avnet of Chandler Arizona.

13. According to the Hong Kong Companies Registry, Imax has been in existence since 2001. The company's paid up share capital is the Hong Kong equivalent of USD 1300. The Hong Kong Companies Registry lists Ms. Leung, Tor Mui (HK ID number G502057(2)) and Leung, Yuk Yung (HK ID number G612734(6)) as directors.

14. Web based research revealed that Imax appears to have a relatively limited web presence. Its web page (www.imaxtechnics.com) does not appear to be operational. The Hong Kong Trade and Development Council web site includes a reference to the company, noting that it is an exporter of electronic parts.

15. On June 1, 2009, ECO and Commercial Assistant Carrie Chan visited the company and met with Ms. Leung Tor Mui. She provided background on Imax, in particular that it is a small electronics trading company that has been in operation for some time. In fact, the company is located in a small, one room, office with space for two staff.

16. As to the items in question, Ms. Leung showed the ECO a purchase order listing For Shing Co. Ltd. as buyer for the items. The purchase order was nearly all hand written with what appeared to be a stamped address at the top. For Shing's address is listed as Rm. C, 4/F Lucky Horse Industrial Building, 64 Tong Mi Road, Hong Kong with telephone number 2375 5225 and fax number 2375 7229. Mr. Wong is listed as the contact person. Ms. Leung stated that For Shing is a usual customer&Z#QigQkxt\t that Imax had received no new orders from For Shing for the past six months. When asked whether Imax had applied for an Hong Kong strategic commodities import license for this shipment, Ms. Leung stated that she did not recall. When apprised of U.S. export control rules in respect of these items, Ms. Leung indicated that she was not aware of those

rules. When asked whether she knew the end use/user of the items, Ms. Leung stated that she does not ask that of her customers unless her supplier (in this case Avnet) requires it.

¶17. ECO did not find Ms. Leung's answers to be credible. ECO is aware that Imax has, in the past, applied for Hong Kong strategic commodities import licenses and confirmation of such licenses are typically kept with the underlying order documentation. The fact that such documentation was not available suggests that Imax never obtained a license. ECO likewise suspects that Imax is well aware of U.S. export control rules. ECO sent links to relevant BIS information from the BIS web site to Ms. Leung.

¶18. According to the Hong Kong Companies Registry, For Shing Company Limited has been in existence since 1984. Its paid up share capital is the Hong Kong equivalent of USD 1300. Its directors are listed as Pok, Yu Ying (HK ID H371359(A)) and Wong, Hei Min (HK ID H359451). For Shing's web presence is also quite limited. A local SME web site lists the company as being located at Flat C, 5th Floor, Hanley Building, No. 68-80 Canton Road, Hong Kong.

¶19. Commercial Assistance Carrie Chan attempted to arrange a meeting with For Shing. A Mr. Wong answered the phone and initially claimed that For Shing had returned the items to Imax (Imax denied this). Mr. Wong further stated that he had no documents available to confirm that statement. During a subsequent call, Mr. Wong stated that the person responsible for the order had left the company and that he did not have any documents to share. When asked for a meeting, Mr. Wong hung up the phone.

¶110. Based on the information noted above, ECO believes that Imax and For Shing are not reliable recipients of U.S. origin technology. ECO recommends a thorough review of all shipments to Imax, For Shing and their respective addresses.